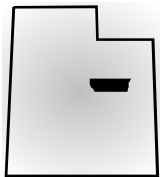


County Trends



Carbon

June 2003

A Local Economic Perspective

2002 - Steady Improvement in Carbon County

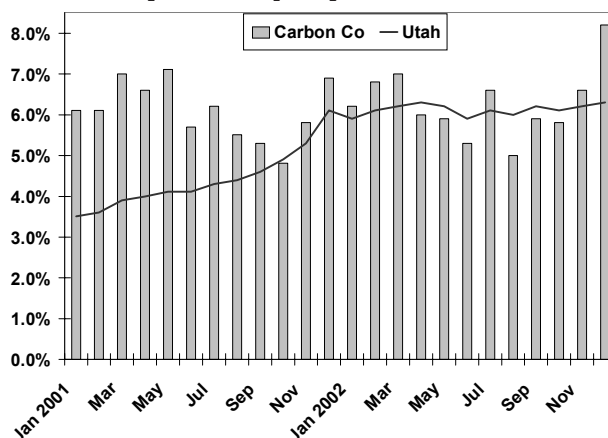
Carbon County's employment growth remained solid during the latter half of 2002. A rebound in mining provided a much needed shot in the arm. Growth in trade and health services also helped sustain jobs. Currently, Carbon's unemployment rate, as of April 2003, was 7.4 percent, above the state rate of 5.3 percent. Around 700 county residents are unemployed.

Jobs on the Mend

During the last two quarters of 2002, Carbon County's year-over nonfarm employment continued to rise, though the rate of increase slowed. Third quarter 2002 eked out a 0.9 percent increase, while 4th quarter jobs rose 1.6 percent. The main drivers for employment gains were in mining, trade, and health care.

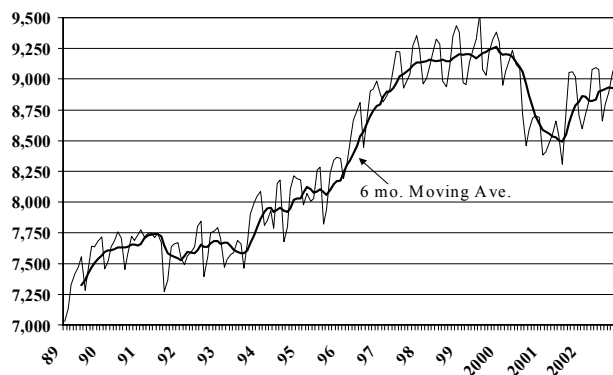
Goods-production employment, which was strong during the first and second quarters, faltered during the third and fourth. Mining showed an increase of more than 150 jobs, however these gains were offset by significant job losses in construction and a weak manufacturing sector. Construction jobs dropped as heavy construction related to pipeline projects were completed. Manufacturing jobs for petroleum and coal products also slid.

Seasonally Adjusted Carbon County Unemployment Rates



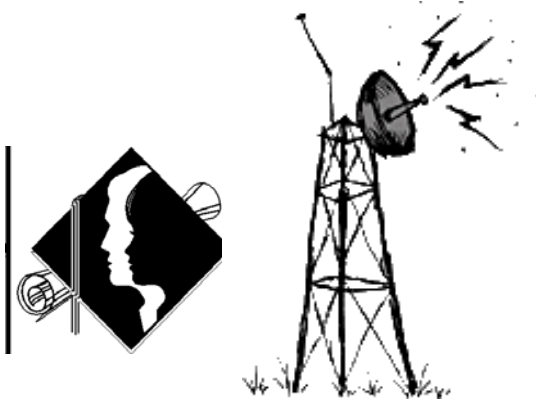
Source: Utah Department of Workforce Services.

Monthly Nonfarm Employment in Carbon County, 1989-2002

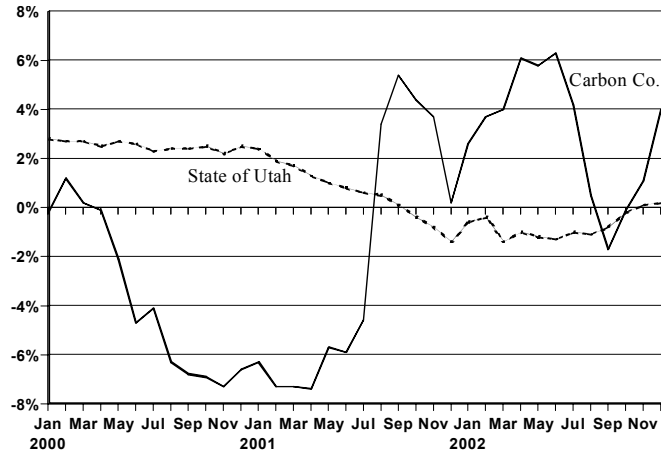


Source: Utah Department of Workforce Services.





Year-Over Change in Carbon County Employment



Source: Utah Department of Workforce Services.

To the Point

Carbon County's economy continued to expand during the latter half of 2002. The mining sector is recovering and that is helping to lift the county's economic fortunes. Trade and health-related services also have been a boost to the local economy. The outlook for 2003 is for more slow growth.

The service-producing industries, which includes trade, transportation, information, recreation, lodging and food services, increased during the third and fourth quarters, lead by job growth in trade and health care. Merchandise stores added around 90 jobs, while health care employment grew at clinics, nursing care facilities, and for social assistance. Financial activity and recreation and leisure also showed moderate growth.

Service-producing industries that lost jobs include, transportation, professional business services, and government. Cuts in education account for the decline in local government employment.

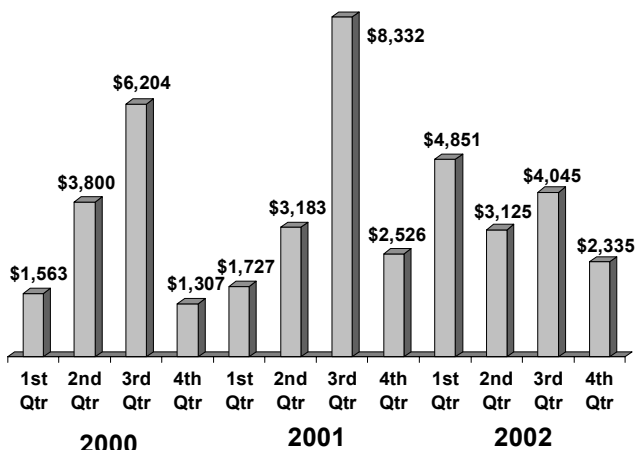
Building Grows

Construction activity, as measured by permit authorizations, fell during the latter half of 2002. The total value of permit-authorized construction dropped 42 percent because of a downturn in nonresidential building. Housing starts improved and residential valuations rose 69 percent.

Nonresidential values tumbled 75 percent, but this mostly due to the permit issued in 2001 for the Super

Carbon County Total Construction Permit Valuation

3



(Thousands of dollars)

Source: Utah Bureau of Economic & Business Research.



Wal-Mart. In 2002, no major projects of that magnitude were approved. The valuation of renovation work nearly tripled in the latter half of 2002 compared to 2001.

Sales Improve

Gross taxable sales slipped 3.4 percent in the last half of 2002. Retail sales were strong in the 3rd quarter, but weakened in the 4th quarter. Merchandise stores and automobile sales sustained retail trade sales. Losing ground were mining, construction, manufacturing, transportation and services.

Outlook for 2003

The recent increase in employment in Carbon, while positive, must be seen in its context to the severe job losses following the tragedy at Willowcreek Mine. The persistent effects of the recession will slow economic activity in 2003 in the county. Until the fundamental problem of overcapacity is resolved, this trend will continue.

Austin Sargent, Regional Economist
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Quick Facts

April 2003

Unemployment Rate

Carbon County	7.4%
Utah	5.3%
U.S.	6.0%

Dec. 2002 Change from Previous Year

Job Growth

Carbon County	4.0%
Utah	0.2%
U.S.	-0.2%

4th Qtr 2002 Change from Previous Year

Construction Values

Carbon County	-7.6%
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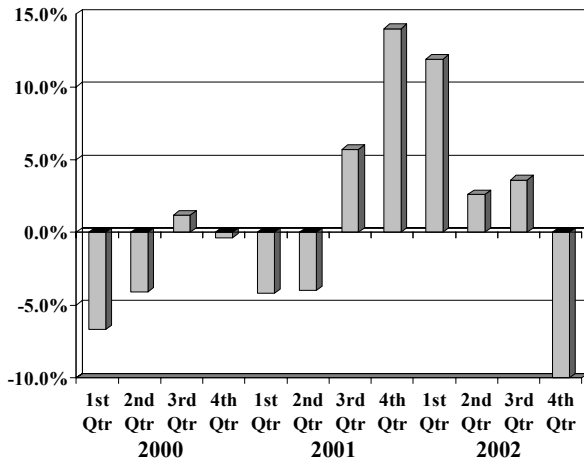
Sales

Carbon County	-10.0%
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Source: Utah Dept of Workforce Services,
Bureau of Labor Statistics,
Utah Tax Commission,
Bureau of Econ & Business Research.

**For more economic information about Carbon County see:
<http://jobs.utah.gov/wi/Regions/County.asp>**

Year-Over Change in Carbon County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up? ⁴

- A \$5 million three-mile road widening project between Price and Wellington will begin in April 2003 and continue until May 2004.
- A \$1.6-million improvement project at the Carbon County airport is underway. The project will add a parallel runway for safety.
- The Carbon County Commission approved a conditional use permit for East Carbonics to construct a carbon dioxide plant west of the Sunnyside Junction on U.S. Highway 6.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/eastern/carbon/carbonatee.pdf>



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Equal Opportunity Employment Program

Auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128



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